

## **INTERGOVERNMENTAL: STATE-SHARED & STATE REIMBURSEMENTS**

### **❖ UTILITY TAXES**

- *Combined electric, gas and telecommunications taxes were \$12.085 million in FY 02-03, exceeding budgeted revenue by \$406 thousand.*
- *FY 03-04 revenues are on target and expected to equal or exceed estimates of \$12.133 million*
- *As the electric and gas tax revenues are subject to greater volatility related to weather conditions than other factors, such as business growth, we expect only minor increases in revenues in FY 03-04.*

### **❖ STATE REIMBURSEMENTS**

- *Approximately \$7.85 million in reimbursements to the City for previously repealed local property taxes was eliminated from the state budget in FY 02-03 and partially replaced by a new ½ cent local option sales tax effective January 1, 2003. In FY 03-04 we expect to receive approximately \$6.0 million from the new ½ cent tax and \$1.5 million in hold harmless funds*

### **❖ FEMA REIMBURSEMENTS**

- *In FY 02-03 the City experienced two ice storms and incurred \$4.25 million in clean up and repair costs. We expect to receive \$3.93 million in FEMA funds and \$313 thousand in Insurance proceeds to cover our costs. We have received \$2.7 million to date. Net reimbursements of approximately \$1.3 million to be received in FY 03-04 could not be accrued as revenue in FY 02-03 and will offset anticipated shortfalls in sales tax revenue.*